A behavioural approach to digital channel shift

Rochdale Borough Council dedicated a full-time resource to behavioural change in order to drive sustainable channel shift – successfully delivering over £182,000 in savings through significant uptake of self-service and corresponding reductions in the use of traditional contact channels.

The issue and context

Rochdale Borough Council has an excellent track record of delivering digital self-service facilities for its residents. Over 99 per cent of all benefit claims are already made through the website, and over 16,000 e-forms were completed in 2016.

This success in channel shift has enabled the council to close several face-to-face customer service points and reduce the contact centre headcount by 30 full-time equivalents (FTEs). Overall the council has delivered over £1 million in recurrent annual savings.

However, with almost 300,000 telephone calls a year still made to the contact centre, the council felt that there was significant scope to improve its online offer further and deliver additional savings through channel shift whilst improving customer experience.

The council therefore applied to the LGA Digital Channel Shift Programme for funding – matched internally – to help create a dedicated resource to promote behavioural change and customer journey improvements aimed at increasing self-service, with a primary focus on specific, existing online services.

The project ties into Rochdale's existing digital inclusion and digital assist programmes. As well as users of these services, an audience that has a 'low' or 'medium' propensity to self-serve has been identified via customer insight gained from service data, Mosaic household data from Experian and customer surveys.

Rochdale was confident that this channel shift project would deliver increased uptake of self-service facilities alongside measurable improvements to the customer experience. It would also contribute to the realisation of significant service cost savings both at points of access and in the back office.

"We were one of the first councils in the country to get our benefit claims online and get up to almost 100 per cent applications. When we modelled our borough we gained insight into what digital uptake should be and we are usually higher by every measure – and that's because of the availability of our public network and networks with our other partners and the work we've already done to support people getting online.

"What we really need to do now is focus on our customers – who they are, what they need, are these tools and technologies working for them, and what are we doing with our customers and staff to change behaviours to encourage customers to actually take up the services. We need to focus on encouraging a new way of accessing services."

Mark Jones, Senior Customer Access Manager

Digital Channel Shift Programme

The work at Rochdale Borough Council to support its innovative use of digital technology has been funded through the Digital Channel Shift Programme, which is managed and overseen by the Local Government Association (LGA).

The Digital Channel Shift Programme was set up to help councils and their partners to promote greater use of online tools and technologies for the benefit of both their customers and staff.

The aim is for the digital tools and solutions created through the programme to be reused by other councils and contribute to the wider work to transform local public services.

The project objectives and targets

The overall goal for the 12-month project was to drive take-up of the suite of integrated forms available within Rochdale's new, single customer account, MyAccount, by implementing a coordinated approach to customer behaviour change and communications.

Work would focus on driving take-up of existing self-service forms that had already been integrated and automated as end-to-end processes into back-office systems across two service areas:

- council tax
  - account enquiries
  - single person discount applications
  - e-billing
  - direct debit online set-up.

- waste management
  - report a missed bin
  - request a new or replacement bin
  - request a bulky waste collection
  - report fly-tipping.

As more services were due to be added to MyAccount during 2017, it was anticipated that the approach designed and used for this initial suite of services could also be applied to new tasks including business rates e-billing, benefit enquiries, benefit claims, reporting a change of circumstances, benefits e-correspondence and environmental health forms.

LGA funding

Rochdale's LGA Digital Channel Shift Programme fund award of £15,000 was matched with internal funding to pay for a full-time resource to coordinate and drive the project and to increase the take-up of both existing and new online services.

Expected outcomes

- improve the customer experience at the point of access for these services, enabling customers who want – and are able – to do so to use self-service online at any time they wish

"From the outset our approach didn't focus on creating lots of leaflets or flyers. We adopted an organic approach where we had to understand how people contact the council and then from there 'nudge' them along the digital journey."

Asam Jan, Transformation Project Manager

- avoid calls into the contact centre to reduce both costs and call waiting times

- reduce processing times by improving the flow of information from customers to services and back again, reducing errors and providing a more responsive customer experience

- either reduce headcount in the contact centre from avoiding calls or release capacity to take additional services into the centre

- deliver cost savings from more efficient processes and ways of working, reducing processing times, duplication of effort and paper and postage costs.

Targets

- successful implementation of this project was expected to generate savings of over £60,000 through increased take-up of these online services.

- a 60 per cent online take-up within six months for each form targeted was expected, in line with results from previous channel shift projects.

The approach and progress to date

A new role

A new role was created and recruited internally to undertake this project. Asam Jan took on this role of project manager.

His focus included:

- exploring and understanding customer contact journeys via web, phone and face-to-face and identifying opportunities at each stage of the journey to nudge people towards online self-service

- updating contact centre and customer service centre scripts and processes

- implementing specific channel shift recorded messages on all contact centre lines and IVR journeys

- working with services to review written correspondence in ways that promote online services

- coordinating internal and external marketing communications and publicity with the communications team

- improving usability and accessibility of web services with the web team, including agreeing layout, language and fonts for consistency

- working directly with customers to secure feedback and involvement to drive improvement

- identifying appropriate KPIs to encourage desired behavioural change.

"We looked at the customer journey from a web perspective, from a contact centre perspective and from a face-to-face perspective to see how customers come in via these channels and then identify opportunities, amending those journeys to push them to our online services."

Asam Jan, Transformation Project Manager

"Having a dedicated resource – someone that is accountable for channel shift and can really focus on it and who understands customers, who's good at building relationships with services with ICT with customers is absolutely crucial. We're all so busy reacting to day-to-day demands and the urgent things that come up and this type of work needs a very proactive person – and needs that dedicated role."

Mark Jones, Senior Customer Access Manager

Exploiting data

One tool that was found to be helpful was the Experian Mosaic database. One of the council officers commented that this enabled the council "to segment the entire borough and look at it any way it wanted to – down to a household level and see people's preferences, which households, which areas, which kind of people want to access things online, will sign up and manage accounts online, and will pay for things by direct debit. That gives Rochdale some really big clues about who it does not really need to worry about – who will just do things online anyway – and who it can forget about trying to get online because they will always want to access things in other ways".

The data helped identify those people who may be able to do things online but may be in need of a nudge or support, or some awareness about what is available and how they can access online services.

As with most councils, Rochdale found that environmental management, particularly waste management, generated a high volume of customer requests. It was therefore decided to tackle this service first, ahead of council tax.

It was important that any analysis of customer behaviour looked to understand 'why' customers reported problems with bins. For example, had a bin been missed or not put out on time? Was there actually an unmet need for an additional recycling bin?

Being able to identify the drivers for customer behaviour provided opportunities to change the interaction. For example, keen to increase recycling rates, the team provided opportunities to request additional recycling bins alongside reporting a missed bin or collection issue via all channels.

Equally, however, the council was keen to reduce landfill. Therefore, no option was given to self-serve requests for general waste bins. Instead the customer was asked to call in to the contact centre, where advisors took the opportunity to discuss reducing landfill and increasing recycling – and offer an additional recycling bin instead.

Reshaping call handling

In the past customers rang the council and every request was taken by call centre staff for action. Now, interactive voice recognition (IVR) facilities filter calls and suggest that the caller can more quickly complete their request online.

If the caller still opts to speak to the customer centre, advisors will handle the request but then also suggest that, in future, such requests could be more quickly completed online. They also explore with the customer why they have chosen not to go online – and any information on how they could help customers get online is fed back to the Asam Jan for action.

Rochdale has never deployed an aggressive channel shift approach of shutting off channels. Whilst the council is encouraging those who can to self-serve, anything that a customer is able do online can still be done over the phone and face-to-face. There remains a network of 17 libraries where staff are happy to provide support and help customers to self-serve.

Measurement and governance

For each of the tasks within the scope of the project, baseline total volumes and volumes by channel were established. These are now tracked on a daily, weekly, monthly, quarterly and annual basis.

In terms of governance, the project reported into Rochdale's established Customer Improvement Programme Board and was subject to appropriate member oversight and scrutiny.

"We worked with ICT to get more tasks and services online. As each task and service was deployed we amended journeys via all three channels to direct customers to the web."

Asam Jan, Transformation Project Manager

Technology

Rochdale Borough Council has a long history of in-house technology development. The council's MyAccount citizen account platform is therefore an in-house development that is integrated into back-end systems, for example the Capita revenues system, via APIs (application programming interfaces – tools which enable different computer systems to talk to each other).

A dashboard was developed for the project to visualise service performance in real time.

Due to the range and complexity of services available via MyAccount, a consistent way of tracking user journeys and form usage was needed in order to create a baseline to inform further plans for improvement. Google Analytics was therefore deployed in the online forms to provide this consistency.

User research and testing

The approach of 'build it and they will come' will work only for those customers actively looking to transact with the council electronically. A significant proportion of customers, however, need a helping hand, a nudge or more support.

Customer insight and analysis work had previously identified this target subset of potential self-serve customers and both contact and service centre staff were involved in collecting user feedback during customer interactions to inform change and then assess how well changes were received.

"Testing is key. Also phasing in slowly allowed us to test, make changes, make adjustments and integrate platforms within MyAccount slowly to allow the teething issues to be sorted out."

Nadeem Arif, Customer Service Manager

Customers were also invited to give feedback on the services and online process within their MyAccount.

Meanwhile feedback sessions with vulnerable people, older residents or young people across the borough, and an annual digital festival in the service centre, provided opportunities for user research.

All data and feedback was used in an evidence-based approach to change.

Internal stakeholders and engagement

Internal stakeholder management was complex due to the number of different stakeholders involved: two main service areas (environment and council tax), the face-to-face customer service centre, telephone contact centre, and the web and ICT teams. A key element of the new behavioural change role was to bring these stakeholders together by engaging at all levels before co-developing and signing off proposals for change.

A change in political leadership during the project provided an opportunity to hold an engagement session with members and the newly appointed leader of the council. This resulted in communications from the leader successfully encouraging members and staff to use the online services themselves.

Meanwhile, a series of channel shift training courses were held for contact and service centre advisors to take them through the changes to scripts and customer engagement. The aim was to encourage a shift in culture whereby advisors were actively looking for opportunities to engage customers in trying self-service instead of calling or visiting the council.

Specific training and team discussions were run to help the customer service centre staff confidently move from a 'behind a desk' to a floorwalking approach.

Key messages across all training and engagement sessions were that channel shift did not mean job losses – rather opportunities to take on more services – and that it would release time to help those people who really needed help. The focus on these underpinning messages was seen as essential as "it's people who embed change".

Digital inclusion

Rochdale has a holistic approach to digital inclusion – the focus is not just on encouraging customers to access council services online but on giving everyone the opportunity to make the most of digital benefits.

This wider approach has seen the borough embrace 'digital' and reach out to residents with information about saving money through paperless bills and comparison shopping. Classes are also offered through the library network including beginners classes, coding clubs and even organised 'hacks' for ideas on how data can be used.

Innovative engagement approaches have included creation of a 'digital piano' in the service centre as a digital entry point for people to try – it offers all-round family fun and targets customers visiting with children. But it also provides a hands-on opportunity to introduce a digital experience.

There has also been a strong focus on Rochdale's large ethnic minority community. There are not always language interpreters available at the contact and service centres and the online services mean that family members can help with filling in forms. For example, children can help older family members after school hours – something that they would not be able to do during council opening times.

IVR

To ensure consistency in the IVR messaging and customer journeys across services, a template and standards were created and control of the messages and journeys was handed to the contact centre.

However, the technical changes and subsequent training required to enable this were not completed until March 2018, which led to the delays in implementation of planned IVR changes in the project milestones table below.

One recent and striking example of how IVR can successfully be used to nudge customers to online channels was inclusion of a prompt in January 2019 to self-serve for council tax services. The day the message went live there was a marked increase in people dropping off calls and 62 people registered for council tax services via MyAccount – a significant uplift on the average 14 new sign-ups per day.

Project milestones	Planned	Actual
Design/planning	Apr/May 17	Apr/May 17
Benchmarking Environmental Management	May 17	May 17
Benchmarking Revenues & Benefits	May 17	Oct 17
Establish targets – Environmental Management	Jun 17	Jun 17
Establish targets – Revenues & Benefits	Jun 17	Oct 17
Advisor training (channel shift)	Jul 17	Jul 17
Update waste management scripts	Aug 17	Dec 17
Record waste management IVR messages	Sep 17	Mar 18
Update council tax scripts	Aug 17	Dec 17
Record council tax IVR messages	Sep 17	Mar 18
Customer service roll-out	Dec 17	Mar 18
Agree and amend web journeys	Oct 17	Feb 18
Council tax e-billing go-live	Nov 17	Nov 17
Capita benefits	Feb 18	Mar 18
Capita direct debit	Jan 18	Feb 18
Communication	Feb 17	Ongoing – started Feb 17
Performance dashboard	Mar 18	Apr 18

The outcome – successes and challenges

The following results were achieved:

- 7000 MyAccount registrations from April 2017 to March 2018 – an increase of 2000 on the previous year

- just over 2000 council tax online sign-ups from April 2017 to March18 – an increase of 1000 on the previous year

- 43 per cent of missed bins reported online, up from 26 per cent, and 49 per cent of bulky waste collection now ordered online, up from 13 per cent

- 11 per cent council tax self-service, up from 1.7 per cent and projected to rise to 33 per cent in financial year 2018/19

- £178,703 annual savings – the equivalent of 10.6 FTEs.

The project has been so successful that the project manager's initial 12-month funded post has been made permanent.

It has also provided a template and model for reducing customer contact and enabling the service and contact centre to operate more efficiently. Although the project helped reduced the staffing requirement within the contact

"Those simple transactions that now a lot of customers are doing online means that it frees up staff time and allows us to deal with the more complex transactions and spend more time with those customers."

Joanne Osborne, Customer Services Director

centre, rather than generating a cashable saving, the council used the money to fund the

"Without metrics it's impossible to understand the impact of a change. Hence you can't measure whether that change has been successful. So we obtained the required metrics in the initial stages of the project to enable us to understand the effectiveness of the changes we made over the course of the project."

**Asam Jan, Transformation Project Manager**

permanent project post to continue work on channel shift.

In addition to continued funding for a project post, the above outcomes have created capacity in the contact centre that has allowed it to take on additional services at no or a greatly reduced cost, allowing those services to deliver savings within back-office teams.

An example of this is school admissions. The FTE equivalent and cost to the service to move its operation into the contact centre would be £30,000, but due to the capacity created this has been achieved for just £15,000.

National recognition: the project was shortlisted for both Municipal Journal (MJ) and Local Government Chronicle annual awards – and won the MJ Digital Transformation of the Year award 2018. The channel shift project played a fundamental role in achieving this recognition and the award has driven both further awareness and support for this approach within the council. Awareness of the project, its approach and success has also led to the council being invited to speak at conferences and generated contact from a number of councils keen to learn from Rochdale's success.

Reducing contact

Reduction in customer service enquiries
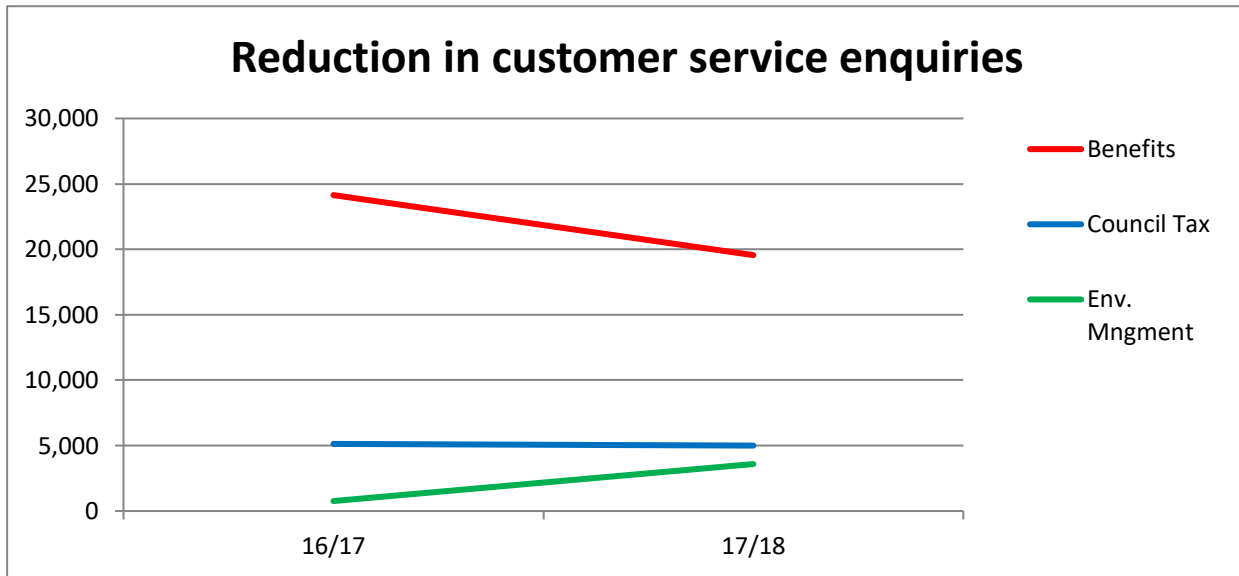
NB. Major changes to the ways in which bin services were managed during the period led to a spike in environmental management enquiries.

Reduction in calls to the contact centre

Reduction in emails received
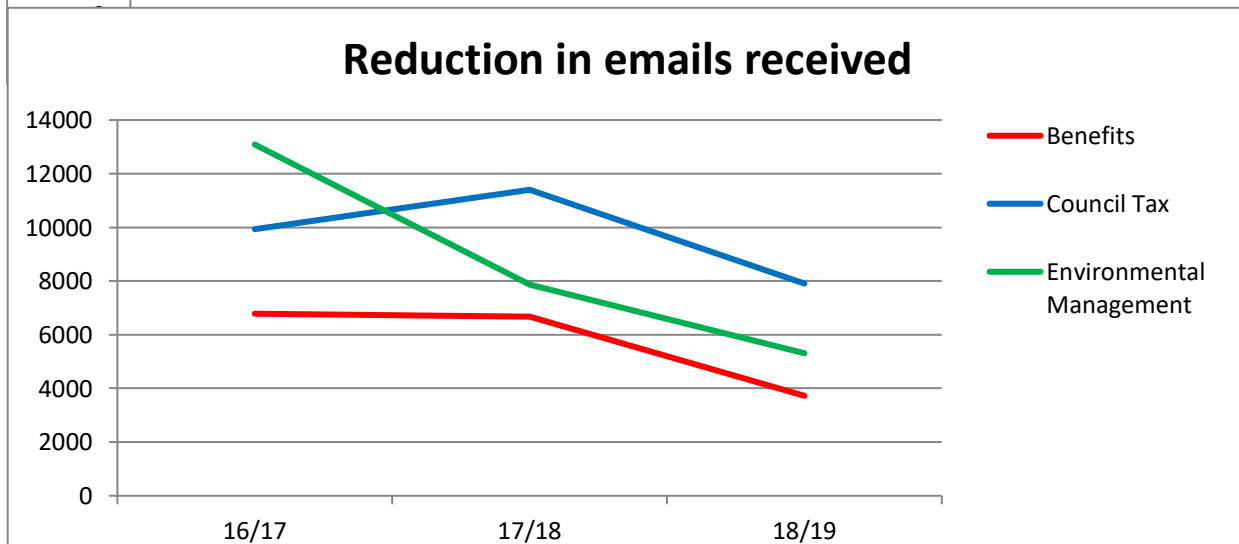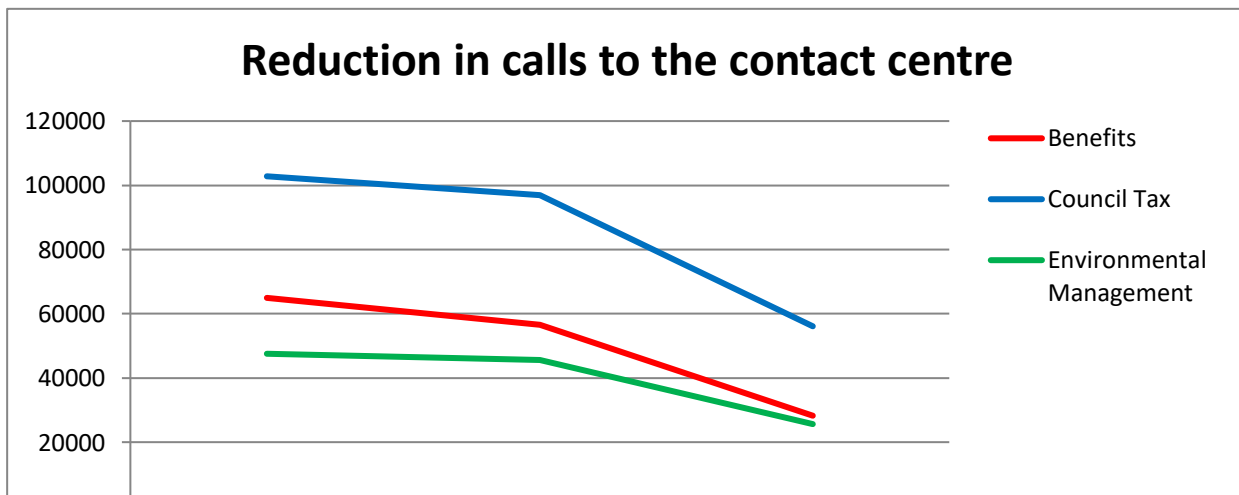
Financial benefits

The **annual savings totalling £182,000** outlined below have been calculated by the council and its contact centre partner, Agilisys, and are based on an average 10-minute handling time per enquiry costing the council £6.42 each:

- 1,200 average monthly online account balance/instalment checks – on the assumption that each online enquiry avoids a call to the contact centre there is a monthly saving of £7,704 delivering annual savings £92,448

- 891 online single person discounts since January 2018 of which 318 were processed and awarded via automation saving a total of £6,345

- 8,258 online service requests for environmental management for 2017/18 compared to 2,524 for the previous year (2016/17) – an increase of 5,734 equating to a contact centre saving of £36,812

- 694 direct debit (DD) sign-ups in the first six months (total DD customers now 61,842 or 66 per cent of charge payers). On a working assumption of 10 monthly instalments previously handled by the contact centre this delivers a saving of £44,554

- 239 e-billing sign-ups in the first seven months saving print and postage of £123

- a reduction of 250 MyAccount general contacts saving £1,650.

"Without the LGA grant money we would have been no further on and take-up would be just natural take-up – people who find their way there. We all knew what needed to be done – it's not rocket science, or new, or difficult putting some IVR, changing contact centre scripts, retraining staff on the ground floor etc. – but it needs someone to focus on it and actually make it happen and that was where we had a gap. We needed someone like Asam who's really energetic, really driven and understands it."

Mark Jones, Senior Customer Access Manager

Non-financial benefits

Customers have an online service they can access at any time, day or night, all year round. They can avoid call waiting or standing in queues at the council during busy times of year.

Success in delivering channel shift via this project has helped gain approval for a £1.5 million capital funding bid for a new customer focused transformation programme which will build on the outcomes of the LGA project.

It became apparent from the data that customers were visiting customer service centres just to use the Freephone to report issues – across all services – that could easily be done online. This led to a focus with the front-of-house team to develop a more outgoing approach, carrying out interventions before customers approached the phones, channel shifting them to public PCs and encouraging them to report the issues online. These findings led to the initiation of a customer/staff behavioural change workstream within the customer service team.

Historically the customer and ICT teams have worked independently of each other. Effective stakeholder engagement and joint working has led to a permanent, positive, shift in the culture between these two departments and resulted in ongoing collaboration. The project has helped to change the way the organisation looks at transformation projects. There is now less focus on programmes being solely ICT-led and more focus on the overall customer experience.

Challenges

A change in political leadership during the project led to delay while the council reviewed all priorities. However, this also provided an

"It's not just about the return on the financial savings. It's about what the future can bring because of it – for example the capacity we will have to help other services, the staff improved morale. The contact centre is an environment of extremes; you're dealing with irate customers all of the time and it can be very difficult in any contact centre to keep morale up."

Joanne Osborne, Customer Services Director

> "Understandably staff within the contact centre had a worry about loss of jobs – so we engaged with them to explain that channel shift is more about creating capacity within the centre to bring in more services. This was seen with the transition of school services into the contact centre when capacity had been created."
>
> **Asam Jan, Transformation Project Manager**

opportunity to engage the leader of the council and members with the project and enlist their support.

Meanwhile, an unexpected loss of key personnel within both ICT and back-office teams adversely impacted the pace of change within these areas – all of which were vital to delivering the changes and tweaks identified to customer journeys and the nudge to online services. New staff were successfully recruited and additional staff resource allocated to the project in order to minimise future impact and ensure the continuing ability to deliver at pace.

In addition, whilst not a technology project, the project was dependent on technology change. An upgrade to both MyAccount and the Capita back-office system during the project caused unexpected but minor delays.

Back-end reporting from the Capita revenues software did not provide the statistics and metrics that the project required. Whilst this caused a delay in baselining these online services, the resultant solution of deploying Google Analytics code in online services resulted in improved consistency in baselining and monitoring metrics from then on.

A decision was taken to transfer the IVR controls to the team within the contact centre. This required some technical changes and training from the ICT team and due to workloads caused a delay in implementing IVR changes. Development of a channel shift dashboard to collate and monitor metrics was also delayed due to other corporate priorities being worked on by the ICT development team.

The subsequent success of the IVR in promoting the online services led to an increase

in the number of abandoned calls – which caused a problem for the contact centre as it had a service level agreement (SLA) relating to abandoned calls. A change in the SLA was required and this was subsequently agreed and signed off, with abandoned calls following IVR messages now seen as a win for everyone.

Initial staff fears over job losses from the project's success required additional focus on user engagement and stakeholder management. Positive messaging over the benefits of additional capacity to help vulnerable customers and take on new services was reinforced for the project's duration and the project was alert to the potential impact of resistance to change at all stages.

Highlighting the benefit of making simple web changes to nudge customer behaviour led to the revenues service asking for a review of all their web pages. Whilst outside of the project's scope, this was seen as a positive move that reflected on the project's success at evidencing how behaviour can be nudged to drive online take-up.

During the project, ICT staff asked the team to deploy the same methodology to ensure optimum user journeys and uptake for a new Netsol BECS online benefit changes module. This was successfully taken on in addition to the planned workload. Work has recently begun on engaging local housing associations and other support groups to help people sign up to the new online service, and the initial response has been positive.

Key learning points

The appointment of a dedicated project lead to focus on driving channel shift has been crucial to getting this piece of work underway and the ultimate success of the project. The results speak for themselves and evidence the potential gains that can be made from a dedicated focus on behavioural change through improving customer journeys across all channels and nudging customers to use online services.

The project lead was located in the contact centre to enable relationships and trust to be built and direct learning to be gained from those interacting with customers on a daily basis. This was key to engagement and alleviating fears of job losses, enabling positive messages about change and success to be a permanent fixture of daily operations.

Effective stakeholder management and engagement is key as workloads across many different council services and directorates must be aligned in order to keep pace within the overall transformation programme.

Reporting requirements evolve as the project unfolds and should not be set in stone. This project highlighted gaps in reporting requirements for the MyAccount project that needed to be addressed. For example, although the MyAccount dashboard provides metrics for high-volume online transactions, it does miss out data on usage of some service tasks that also account for channel shift volumes within the contact centre.

Baselining usage metrics for all online tasks before starting any change work is crucial so that any final evaluation is evidence-based and reflects an accurate account of the outcomes.

"Keep the pace going, keep the pace of change going and bring everyone along with you."

Mark Jones, Senior Customer Access Manager

"Working with partners such as registered social landlords, letting agents and other public sector bodies has allowed us to deliver a more integrated approach – we're all working together around the customer rather than in our own isolated bubbles."

Mark Jones, Senior Customer Access Manager

Phasing each change in separately allows the impact of each to be assessed and results correctly attributed to the related actions.

It is worth investing time in working with partners such as registered social landlords, letting agents and other public sector bodies as this enables delivery of a more customer-focused, integrated and ultimately a better-designed and as a result, successful service. Partners can provide access to assisted digital support and help ensure that 'nobody slips through the cracks'.

Internal behaviour and culture change is essential for successful delivery. Therefore it is essential to focus on all internal users and staff as every customer touchpoint can impact the success of channel shift.

"Engage with the service – nobody knows the service better than the service itself."

Asam Jan, Transformation Project Manager

"This is all about understanding who are the people who may fall through the cracks in society. We have integrated place teams working in our most deprived communities to try and identify those people and work with them."

Mark Jones, Senior Customer Access Manager

Next steps

The project has set the foundations for a new digital channel shift strategy for the council as a whole. The templates and methodologies that have been developed will be used for all future services that are integrated into MyAccount, including benefits change of circumstances and changes of address.

Meanwhile IVR changes have been made to further services in the contact centre, including highways and engineering, switchboard, school services and benefits and the full web review of revenues and benefits is underway.

Most importantly however, the project also laid the groundwork and evidence-base for approval of a significant capital funding bid for a new customer-focused transformation programme. This will take the project's learnings and scale up the approach across all customer-facing services to encourage channel shift to online self-service.

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